

House Study Bill 694

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR'S BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act creating a preschool for four=year=old children program,
2 and making appropriations and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 5782XL 81
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1 1 DIVISION I
1 2 PRESCHOOL FOR FOUR=YEAR=OLD CHILDREN PROGRAM
1 3 Section 1. NEW SECTION. 256C.1 DEFINITIONS.
1 4 As used in this chapter:
1 5 1. "Department" means the department of education.
1 6 2. "Director" means the director of the department of
1 7 education.
1 8 3. "Preschool program" means the preschool for four=year=
1 9 old children program created in accordance with this chapter.
1 10 4. "School district approved to participate in the
1 11 preschool program" means a school district that meets the
1 12 school district requirements under section 256C.3 and has been
1 13 approved by the department to participate in the preschool
1 14 program.
1 15 5. "State board" means the state board of education.
1 16 6. "Student" means a child who meets the eligibility
1 17 requirements under section 256C.3 and is enrolled in the
1 18 preschool program.
1 19 Sec. 2. NEW SECTION. 256C.2 PRESCHOOL FOR FOUR=YEAR=OLD
1 20 CHILDREN PROGRAM == PURPOSE.
1 21 1. The preschool for four=year=old children program is
1 22 established under the supervision of the department. The
1 23 purpose of the preschool program is to provide an opportunity
1 24 for all young children in the state to enter school ready to
1 25 learn by expanding voluntary access to quality preschool
1 26 curricula for all children who are four years old in order to
1 27 increase the statewide percentage of four=year=olds who have
1 28 access to such curricula.
1 29 2. The state board shall adopt rules in accordance with
1 30 chapter 17A as necessary to implement the preschool program as
1 31 provided in this chapter.
1 32 Sec. 3. NEW SECTION. 256C.3 PRESCHOOL PROGRAM
1 33 REQUIREMENTS.
1 34 1. ELIGIBLE CHILDREN.
1 35 a. A child who is a resident of Iowa and is four years of
2 1 age by September 15 of a school year shall be eligible to
2 2 enroll in the preschool program under this chapter. If space
2 3 and funding are available, a school district approved to
2 4 participate in the preschool program may enroll a younger
2 5 child in the preschool program; however, the child shall not
2 6 be counted for state funding purposes.
2 7 b. An eligible child who is enrolled in a child care
2 8 center licensed under chapter 237A or in an existing public or
2 9 private preschool or kindergarten program located within
2 10 the boundaries of the school district is also eligible to
2 11 receive services through the preschool program under this
2 12 chapter.
2 13 c. An eligible child who is receiving care from a child
2 14 care home that is not registered under chapter 237A, from a
2 15 child development home that is registered under chapter 237A,
2 16 or from another care provider that is not subject to
2 17 regulation under chapter 237A, shall receive preschool program
2 18 services through a child care center licensed under chapter
2 19 237A or through a preschool that is authorized by departmental
2 20 rule to provide preschool program services.

2 21 2. TEACHER REQUIREMENTS.
2 22 a. An individual serving as a teacher in the preschool
2 23 program must be appropriately licensed under chapter 272, meet
2 24 requirements under chapter 284, and be employed by the school
2 25 district implementing the program.
2 26 b. A teacher in the preschool program shall collaborate
2 27 with other agencies, organizations, and boards in the
2 28 community to further the program's capacity to meet the
2 29 diverse needs of students and student families, such as early
2 30 care, health, and human services. In addition, a teacher in
2 31 the preschool program shall work to maintain relationships
2 32 with each student's family in order to enhance the student's
2 33 development in all settings by collaborating with providers of
2 34 parent education and parent involvement opportunities.
2 35 3. PROGRAM REQUIREMENTS. The state board shall adopt
3 1 rules to further define the following preschool program
3 2 requirements:
3 3 a. Maximum and minimum teacher-to-child ratios and class
3 4 sizes shall be identified.
3 5 b. A school district shall incorporate applicable state
3 6 and federal program standards.
3 7 c. A school district shall incorporate student learning
3 8 standards.
3 9 d. A school district shall provide for the integration of
3 10 children from other state and federally funded preschools.
3 11 e. A school district shall collaborate with participating
3 12 families, early care providers, and community partners
3 13 including, but not limited to, community empowerment area
3 14 boards, head start programs, shared visions and other programs
3 15 provided under the auspices of the child development
3 16 coordinating council, licensed child care centers, area
3 17 education agencies, child care resource and referral services
3 18 provided under section 237A.26, early childhood special
3 19 education programs, services funded by Title I of the federal
3 20 Elementary and Secondary Education Act of 1965, and family
3 21 support programs in accordance with the rules adopted by the
3 22 state board.
3 23 f. A school district shall provide for parental
3 24 involvement in the preschool program.
3 25 4. SCHOOL DISTRICT REQUIREMENTS. The state board shall
3 26 adopt rules to further define the following requirements of
3 27 school districts implementing the preschool program:
3 28 a. Methods of demonstrating community readiness to
3 29 implement high-quality programming in a local program shall be
3 30 identified. The methods may include but are not limited to a
3 31 school district providing evidence of a public hearing on the
3 32 proposed programming and written documentation of
3 33 collaboration agreements between the school district, existing
3 34 community providers, and other community stakeholders
3 35 addressing operational procedures and other critical measures.
4 1 b. A school district shall provide transportation of
4 2 students enrolled in the preschool program as required for
4 3 prekindergarten programs in section 285.1.
4 4 c. Subject to implementation of agreements between a
4 5 school district and community-based providers of services to
4 6 four-year-old children residing in the school district, a
4 7 four-year-old child residing in a school district who is
4 8 enrolled in a child care center licensed under chapter 237A or
4 9 in an existing public or private preschool program shall be
4 10 eligible for services provided by the school district's
4 11 preschool program.
4 12 d. A school district shall participate in data collection
4 13 or performance measurement processes and reporting as defined
4 14 by rule.
4 15 e. Career development for school district preschool
4 16 teachers shall be addressed in the school district's career
4 17 development plan implemented in accordance with section 284.6.
4 18 5. DEPARTMENT REQUIREMENTS.
4 19 a. The department shall implement an application and
4 20 selection process for school district participation in the
4 21 preschool program that includes but is not limited to the
4 22 enrollment requirements provided under section 256C.4.
4 23 b. The department shall track the progress of students
4 24 served by a school district preschool program and the
4 25 students' performance in elementary and secondary education.
4 26 c. The department shall implement procedures to monitor
4 27 the quality of the programming provided under the preschool
4 28 program.
4 29 Sec. 4. NEW SECTION. 256C.4 FUNDING PROVISIONS ==
4 30 ENROLLMENT.
4 31 1. GENERAL.

4 32 a. State funding provided under the preschool program
4 33 shall be based upon the enrollment of eligible students in the
4 34 preschool programming provided by a school district approved
4 35 to participate in the preschool program.

5 1 b. A school district approved to participate in the
5 2 preschool program may authorize expenditures for the
5 3 district's preschool programming from any of the revenue
5 4 sources available to the district from the sources listed in
5 5 chapter 298A, provided the expenditures are within the uses
5 6 permitted for the revenue source. However, the school
5 7 district shall not authorize an expenditure from such revenue
5 8 sources for purposes of programming that is not owned or
5 9 operated by the school district.

5 10 c. Funding provided under the preschool program is
5 11 intended to supplement, not supplant, existing resources for
5 12 preschool programming.

5 13 2. ELIGIBLE STUDENT ENROLLMENT.

5 14 a. To be included as an eligible student in the enrollment
5 15 count of the preschool programming provided by a school
5 16 district approved to participate in the preschool program, a
5 17 child must be four years of age by September 15 in the base
5 18 year, be a resident of the school district, and the preschool
5 19 programming must be located within the boundaries of the
5 20 school district.

5 21 b. The enrollment count of eligible students shall not
5 22 include a child who is included in the enrollment count
5 23 determined under section 257.6 or a child who is served by a
5 24 program already receiving state or federal funds for the
5 25 purpose of the provision of four-year-old preschool
5 26 programming. Such preschool programming includes but is not
5 27 limited to child development assistance programs provided
5 28 under chapter 256A, special education programs provided under
5 29 section 256B.9, school ready children grant programs and other
5 30 programs provided under chapter 28, and federal head start
5 31 programs and the services funded by Title I of the federal
5 32 Elementary and Secondary Education Act of 1965.

5 33 Sec. 5. NEW SECTION. 256C.5 FUNDING FORMULA.

5 34 1. DEFINITIONS. For the purposes of this section and
5 35 section 256C.4:

6 1 a. "Base year", "budget year", "foundation base", "regular
6 2 program district cost per pupil", "regular program state cost
6 3 per pupil", and "school district" mean the same as defined or
6 4 described in chapter 257.

6 5 b. "Eligible student" means a child who meets eligibility
6 6 requirements under section 256C.4.

6 7 c. "Preschool budget enrollment" means the figure that is
6 8 equal to sixty percent of the actual enrollment of eligible
6 9 students in the preschool programming provided by a school
6 10 district approved to participate in the preschool program on
6 11 the third Friday of September of the base year.

6 12 d. "Preschool district cost for the budget year" means the
6 13 product of the regular program district cost per pupil for the
6 14 budget year multiplied by the school district's preschool
6 15 budget enrollment.

6 16 e. "Preschool foundation aid" means the regular program
6 17 foundation base per pupil determined for a budget year under
6 18 chapter 257 multiplied by the preschool budget enrollment.

6 19 2. PRESCHOOL FOUNDATION AID DISTRICT AMOUNT.

6 20 a. For the initial budget year for which a school district
6 21 approved to participate in the preschool program receives that
6 22 approval and implements the preschool program, the funding for
6 23 the preschool foundation aid payable to that school district
6 24 shall be paid from the appropriation made for that budget year
6 25 in section 256C.6. For that budget year, the preschool
6 26 foundation aid payable to the school district is the product
6 27 of the regular program district cost per pupil for the budget
6 28 year multiplied by sixty percent of the school district's
6 29 eligible student enrollment on the date in the budget year
6 30 determined by rule.

6 31 b. For budget years subsequent to the initial school year
6 32 for which a school district approved to participate in the
6 33 preschool program receives that approval and implements the
6 34 preschool program, the funding for the preschool foundation
6 35 aid payable to that school district shall be paid from the
7 1 appropriation made in section 257.16. For those budget years,
7 2 the preschool foundation aid payable to the school district is
7 3 equivalent to the preschool district cost for the budget year.

7 4 3. EXPENDITURES SEPARATE. Unless expressly authorized by
7 5 law, a school district's expenditures for a local program
7 6 shall not be included in the district cost per pupil or any
7 7 other expenditure used for the calculations made under chapter

7 8 257. This subsection is repealed July 1, 2013.

7 9 4. AID PAYMENTS. Preschool foundation aid shall be paid
7 10 as part of the state aid payments made to school districts in
7 11 accordance with section 257.16.

7 12 Sec. 6. NEW SECTION. 256C.6 PHASE-IN == APPROPRIATIONS.

7 13 1. PHASE-IN. For the fiscal year beginning July 1, 2006,
7 14 the department may temporarily modify requirements in other
7 15 provisions of this chapter relating to preschool program
7 16 implementation, preschool enrollment reporting, and
7 17 distribution of funding as necessary to begin the distribution
7 18 in that fiscal year and additional program implementation in
7 19 the next fiscal year. For each month after September 1, 2006,
7 20 that a school district approved to participate in the
7 21 preschool program begins programming, the department shall
7 22 reduce the preschool foundation aid payable to the school
7 23 district by one tenth of the amount that would otherwise have
7 24 been payable to the school district for the full school year.

7 25 2. APPROPRIATIONS FOR INITIAL YEARS. There is
7 26 appropriated from the general fund of the state to the
7 27 department of education for the designated fiscal years the
7 28 following amounts, or so much thereof as is necessary, to be
7 29 used for the initial year preschool foundation aid payments to
7 30 school districts approved to participate in the preschool
7 31 program and administrative costs:

7 32 a. For the fiscal year beginning July 1, 2006, and ending
7 33 June 30, 2007, fifteen million dollars of which two hundred
7 34 eighty-one thousand two hundred fifty dollars is allocated for
7 35 the department's administrative costs.

8 1 b. For the fiscal year beginning July 1, 2007, and ending
8 2 June 30, 2008, fifteen million dollars.

8 3 c. For the fiscal year beginning July 1, 2008, and ending
8 4 June 30, 2009, fifteen million dollars.

8 5 d. For the fiscal year beginning July 1, 2009, and ending
8 6 June 30, 2010, sixteen million one hundred sixty-two thousand
8 7 five hundred dollars.

8 8 e. For the fiscal year beginning July 1, 2010, and ending
8 9 June 30, 2011, and succeeding fiscal years, five hundred
8 10 sixty-two thousand dollars for administrative costs only.

8 11 For the purposes of this subsection, the amount allocated
8 12 for each fiscal year for the department's administrative costs
8 13 shall be equal to the amount appropriated in paragraph "e",
8 14 except as otherwise provided in paragraph "a".

8 15 3. INSUFFICIENT FUNDING. For the fiscal years in the
8 16 period beginning July 1, 2006, and ending June 30, 2010, if
8 17 the number of requests from school districts for initial
8 18 participation in the preschool program exceeds the funding
8 19 made available for the preschool program, the department shall
8 20 utilize all of the following selection criteria in selecting
8 21 the school districts that will be approved to participate in
8 22 the preschool program:

8 23 a. Priority shall be given to school districts that do not
8 24 have existing preschool programming within the school district
8 25 boundaries.

8 26 b. Priority shall be given to school districts that have a
8 27 high percentage of children in poverty.

8 28 c. Consideration shall be given to the size of school
8 29 districts in large, medium, and small categories in order for
8 30 there to be equitable statewide distribution of preschool
8 31 program services.

8 32 d. Consideration shall be given to school districts with
8 33 established, high-quality, community partnerships for the
8 34 delivery of preschool programming that are seeking to expand
8 35 access.

9 1 4. REPEALS.

9 2 a. Subsections 1 and 3 are repealed July 1, 2010.

9 3 b. This subsection is repealed July 1, 2010, following
9 4 implementation of paragraph "a".

9 5 5. STATE AID FUNDING FOR FY 2010=2011 AND FUTURE. For the
9 6 fiscal year beginning July 1, 2010, and succeeding fiscal
9 7 years, preschool foundation aid shall be funded from the
9 8 appropriation made in section 257.16.

9 9 DIVISION II

9 10 CONFORMING AMENDMENTS

9 11 Sec. 7. Section 256.11, subsection 1, Code Supplement
9 12 2005, is amended by adding the following new unnumbered
9 13 paragraph:

9 14 NEW UNNUMBERED PARAGRAPH. For the purposes of this
9 15 subsection, "prekindergarten program" includes but is not
9 16 limited to a school district's implementation of the preschool
9 17 program established pursuant to chapter 256C.

9 18 Sec. 8. Section 257.10, subsection 8, Code 2005, is

9 19 amended to read as follows:
9 20 8. COMBINED DISTRICT COST. Combined district cost is the
9 21 sum of the regular program district cost per pupil multiplied
9 22 by the weighted enrollment, the preschool district cost per
9 23 student under chapter 256C, and the special education support
9 24 services district cost, plus the additional district cost
9 25 allocated to the district to fund media services and
9 26 educational services provided through the area education
9 27 agency.

9 28 A school district may increase its combined district cost
9 29 for the budget year to the extent that an excess tax levy is
9 30 authorized by the school budget review committee.

9 31 Sec. 9. Section 257.16, subsection 1, Code 2005, is
9 32 amended to read as follows:

9 33 1. There is appropriated each year from the general fund
9 34 of the state an amount necessary to pay the foundation aid
9 35 under this chapter, the preschool foundation aid under chapter
10 1 256C, and the supplementary aid under section 257.4,

10 2 subsection 2.

10 3 Sec. 10. Section 298.4, Code 2005, is amended by adding
10 4 the following new subsection:

10 5 NEW SUBSECTION. 6. To provide local funding for the
10 6 school district's implementation of the preschool program
10 7 established under chapter 256C.

10 8 Sec. 11. EMERGENCY RULES. The department of education may
10 9 adopt emergency rules under section 17A.4, subsection 2, and
10 10 section 17A.5, subsection 2, paragraph "b", to implement the
10 11 provisions of this Act and the rules shall be effective
10 12 immediately upon filing unless a later date is specified in
10 13 the rules. Any rules adopted in accordance with this section
10 14 shall also be published as a notice of intended action as
10 15 provided in section 17A.4.

10 16 EXPLANATION

10 17 This bill creates a preschool for four-year-old children
10 18 program. The bill is divided into divisions.

10 19 PRESCHOOL FOR FOUR-YEAR-OLD CHILDREN PROGRAM. This
10 20 division creates the program and makes appropriations in new
10 21 Code chapter 256C. The program is to be administered by the
10 22 department of education and the state board of education.

10 23 New Code section 256C.1 provides definitions.

10 24 New Code section 256C.2 lays out the purpose for the
10 25 program and authorizes the state board to adopt rules to
10 26 implement the program and the state funding for the program.

10 27 New Code section 256C.3 lists the program requirements
10 28 required to be adopted in rule. The requirements address
10 29 child eligibility, teacher requirements, program requirements,
10 30 school district requirements, and departmental requirements.
10 31 New Code section 256C.4 identifies general funding
10 32 provisions and specifies how eligible student enrollment for
10 33 the preschool program is determined.

10 34 New Code section 256C.5 establishes a funding formula for
11 35 the program, based on elements of the school foundation
11 1 formula under Code chapter 257. For the initial budget year
11 2 that a school district is approved to participate in the
11 3 preschool program, the school district receives funding based
11 4 on the preschool program enrollment for that budget year. For
11 5 subsequent budget years, the aid is based on the prior year's
11 6 preschool enrollment. A school district is authorized to use
11 7 various local taxation sources for local funding of the
11 8 preschool district cost that is not paid by preschool
11 9 foundation aid. The expenditures for the preschool program
11 10 cannot be included as part of the expenditures made for
11 11 purposes of the school aid formula under Code chapter 257.
11 12 Preschool foundation aid payments are required to be made as
11 13 part of the school aid payments under Code chapter 257.

11 14 New Code section 256C.6 provides for phase-in of the
11 15 program during fiscal year 2006=2007 and makes standing
11 16 limited appropriations for five fiscal years. For fiscal year
11 17 2006=2007, the department is authorized to modify other
11 18 requirements in new Code chapter 256C as necessary to
11 19 distribute funding in that fiscal year. The appropriations
11 20 made in this section are for payment of the initial year a
11 21 school district receives a preschool foundation aid payment
11 22 and department of education administrative costs associated
11 23 with the preschool program. In subsequent years, this
11 24 preschool foundation aid payment becomes part of the school
11 25 foundation formula.

11 26 CONFORMING AMENDMENTS. This division provides conforming
11 27 amendments for the changes made by the bill.

11 28 The bill amends Code section 256.11, relating to
11 29 educational standards for schools adopted by the state board

11 30 of education, to provide that a prekindergarten also includes
11 31 a preschool program implemented in accordance with the bill.
11 32 Code section 257.10, relating to district cost per pupil
11 33 used in the school aid formula, is amended to include the
11 34 preschool district cost per student as part of the combined
11 35 district cost. Code section 257.16, relating to the standing
12 1 appropriation for school foundation aid, is amended to include
12 2 an appropriation for preschool foundation aid in the standing
12 3 appropriation.
12 4 Code section 298.4, relating to the expenditures allowed
12 5 under the district management levy, is amended to allow the
12 6 levy to be used for local funding of a local preschool program
12 7 under Code chapter 256C.
12 8 The department of education is authorized to utilize
12 9 emergency procedures to adopt rules to implement the
12 10 provisions of the bill without public comment periods or
12 11 review by the administrative rules review committee.
12 12 LSB 5782XL 81
12 13 jp:nh/je/5.2